



## **REALTOR® Office Contact (ROC) - Legislative Briefing November/December 2007**

Every day governmental bodies and elected officials are making decisions that impact the real estate industry and thus REALTOR® livelihoods. This briefing will help keep you informed about the issues which could affect you and how the San Diego Association of REALTORS® is working to protect your business.

## **LOCAL ISSUES**

**Affordable Housing Density Bonus:** On November 6<sup>th</sup>, the San Diego City Council voted to adopt the Density Bonus ordinance which will allow home builders to boost the number of units permitted in their projects and seek other land-use incentives as long as they agree to include affordable housing in their developments. The measure passed 5-1, with Councilwoman Donna Frye dissenting and council members Toni Atkins and Brian Maienschein absent. For more information on the new Density Bonus regulations please click here.

Lead Hazard Prevention & Control Ordinance: SDAR has worked for several years on the Lead Hazard Prevention & Control Ordinance. The version which passed out of the Land Use & Housing (LUH) Committee in August of 2004 contains a "Point of Sale" provision that will have devastating impacts on housing affordability. On Tuesday, October 30th, the City Council passed a motion to refer the ordinance to the Mayor's office for fee calculation. At that time, the Mayor's office stated that while they will calculate the fees for the LU&H version of the ordinance, they will also be doing the same for an alternate version of the ordinance SDAR supports which does not include the point of sale provision. City staff will update all the requested information and bring it back in 90 days along with the LU&H version and an updated alternative version for discussion at that time. SDAR will continue to work with the City implement that alternative ordinance which will more effectively address the important issue of lead based paint hazards.

## **STATE ISSUES**

**AB 980 (Calderon) Disclosure of Private Transfer Taxes:** AB 980 was signed into law by the Governor on October 14<sup>th</sup>. This bill will require that a stand alone document on the private transfer tax (PTT) be recorded to become part of the title record, as well as a separate seller provided disclosure to potential home buyers as to whether the home they are considering purchasing requires the payment of a private transfer tax, the percentage of the home price constituting the PTT, the duration of the payment obligation, and the purpose for which the funds from the fee will be used. If the stand alone PTT document is not recorded, the buyer will not have to pay the PTT.

**SB 343 (Negrete McLeod) Housing Project Application - Pre-Hearing Availability of Staff Reports:** Many local governments direct their staff to prepare reports concerning issues pending before a city council, local board or commission. Often the last-minute release of agenda packet materials leaves citizens feeling blindsided by their governments and impedes informed debate. SB 343 amends the Brown Act to require any writing that qualifies as a public document, which is provided to at least a majority of the members of a local legislative body within 72 hours of a noticed open public meeting, to also be made available to the public at a designated location of the local agency at the same time, as well as by way of the internet. SB 343 was signed by the Governor on October 5<sup>th</sup> and is effective July 1, 2008. For more information on C.A.R. sponsored bills click here.

## NATIONAL ISSUES

**H.R. 3355**: On November 8<sup>th</sup> the House of Representatives passed H.R. 3355, the Homeowners' Defense Act of 2007. The bill, which defines a process for supporting reinsurance markets nationwide, has two key elements: (1) A National Catastrophe Risk Consortium and (2) a program to make liquidity & catastrophic loans to state or regional reinsurance programs after a natural catastrophe. An amendment was added that would allow states that participate in the fund to purchase reinsurance through a national catastrophe fund, which only would pay in a one-in-200-year event. These elements would enhance a state's ability to institute disaster mitigation activities, support the availability & affordability of insurance, and help states & property owners recover faster after a disaster. NAR believes that the bill is a solid first step toward ensuring the availability and affordability of homeowners insurance in at-risk markets. For additional information about NAR's legislative efforts click here.